

Proposition 36

MISSION STATEMENT

The Mission of Proposition 36 is to provide nonviolent drug offenders with proven and effective treatment strategies rather than incarceration through a collaborative effort of stakeholders.

DESCRIPTION OF MAJOR SERVICES

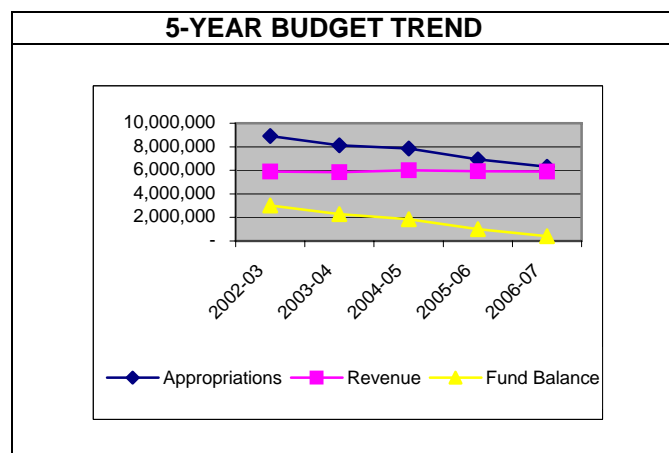
In November 2000, California passed Proposition 36, the Substance Abuse and Crime Prevention Act of 2000 (Act). The Act mandated that certain persons convicted of a nonviolent drug possession offense, and any parolee who is determined by the Parole Authority to have committed a nonviolent drug possession offense, or violated any other drug-related condition of parole, will be provided drug treatment and related services in lieu of incarceration. On February 6, 2001, the Board of Supervisors designated Human Services as the county lead agency for implementation of the Act and established a local interest earning special revenue fund for funds received from the state for this program. On April 18, 2006, the Board of Supervisors approved a change in the lead agency from Human Services to the Department of Behavioral Health (DBH), as most Prop 36 funds are utilized by Alcohol and Drug Services, which functions within DBH.

This special revenue fund does not directly spend funds or provides services; it is used only to account for disposition of the funds received from the state. Funds are transferred to the department of Alcohol and Drug Services and Probation who provide the treatment and oversight of the parolees.

Proposition 36 was intended as a 5 year demonstration project for the period of July 1, 2001 through June 30, 2006. Revenue of \$2.77 million was allocated to the county for the period of January 1, 2001 through June 30, 2001 as start up funds. During the planning for implementation a decision was made that the anticipated annual allocation would not keep pace with expenditures. Therefore, the \$2.77 million was deposited in the Proposition 36 special revenue fund to finance treatment and probation costs that exceeded the annual allocation. A portion of the reserve has been used annually to finance costs that have exceeded the annual allocation. Although Prop 36 was intended to sunset on June 30, 2006, the Governor has included funding in the state's 2006-07 proposed budget to continue Prop 36 activities.

There is no staffing associated with this budget unit.

BUDGET HISTORY



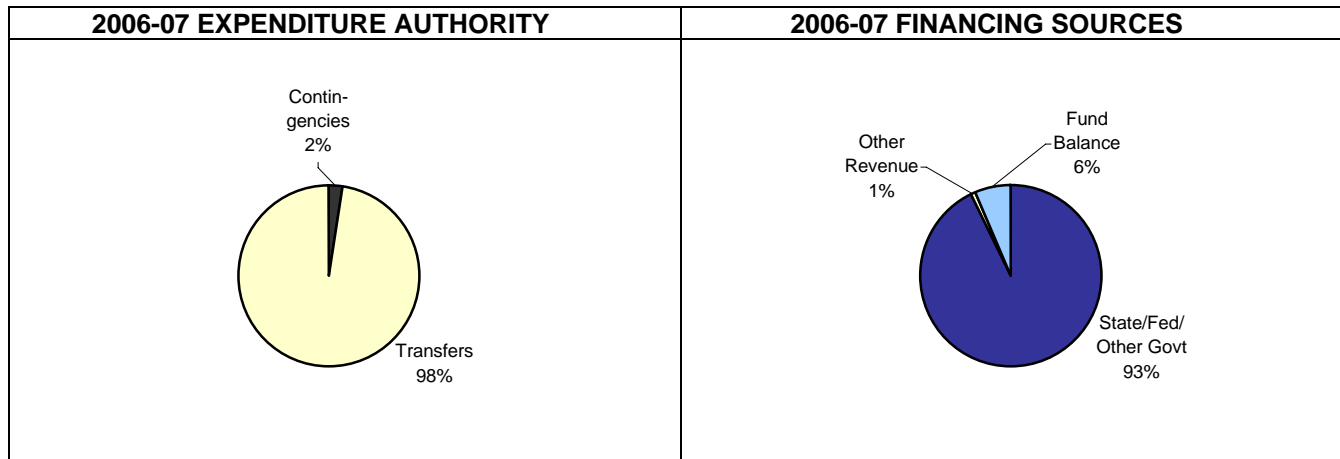
PERFORMANCE HISTORY

| | Actual 2002-03 | Actual 2003-04 | Actual 2004-05 | Modified Budget 2005-06 | Estimate 2005-06 |
|----------------------|---------------------------|---------------------------|---------------------------|--|-----------------------------|
| Appropriation | 6,625,029 | 6,214,085 | 6,792,989 | 6,920,756 | 6,516,147 |
| Departmental Revenue | 5,901,930 | 5,787,236 | 5,959,084 | 5,910,405 | 5,915,405 |
| Fund Balance | | | | 1,010,351 | |

Estimated appropriation for 2005-06 is less than modified budgeted due to less than budgeted transfers for salaries and benefits and services and supplies. Estimated revenue is higher than modified budgeted due to a slight increase in state aid.



ANALYSIS OF PROPOSED BUDGET



GROUP: Human Services
DEPARTMENT: Human Services
FUND: Proposition 36

BUDGET UNIT: RHD MLH
FUNCTION: Public Assistance
ACTIVITY: Administration

| | 2002-03 Actual | 2003-04 Actual | 2004-05 Actual | 2005-06 Estimate | 2005-06 Final Budget | 2006-07 Proposed Budget | Change From 2005-06 Final Budget |
|------------------------------------|-------------------|-------------------|-------------------|---------------------|----------------------------|-------------------------------|--|
| <u>Appropriation</u> | | | | | | | |
| Transfers | 2,591,826 | 6,214,085 | 6,792,989 | 6,516,147 | 6,888,196 | 6,164,567 | (723,629) |
| Contingencies | - | - | - | - | 32,560 | 152,543 | 119,983 |
| Total Appropriation | 2,591,826 | 6,214,085 | 6,792,989 | 6,516,147 | 6,920,756 | 6,317,110 | (603,646) |
| <u>Departmental Revenue</u> | | | | | | | |
| Use Of Money and Prop | 182,503 | 114,515 | 101,600 | 55,000 | 50,000 | 50,000 | - |
| State, Fed or Gov't Aid | 5,719,427 | 5,672,721 | 5,857,261 | 5,860,405 | 5,860,405 | 5,857,501 | (2,904) |
| Other Revenue | - | - | 223 | - | - | - | - |
| Total Revenue | 5,901,930 | 5,787,236 | 5,959,084 | 5,915,405 | 5,910,405 | 5,907,501 | (2,904) |
| Fund Balance | | | | | 1,010,351 | 409,609 | (600,742) |

Transfers for salaries and benefits and services and supplies are decreasing in 2006-07 due to decreases in staffing for drug programs and decreased contract costs for programs. Contingencies are increased as a result of the decrease in transfers. State aid is increased to reflect the state's preliminary allocation report. Fund balance is decreased as a result of expenditures outpacing revenues in 2005-06.

